

Michigan Committee on Governmental Auditing and Accounting

Draft Meeting Minutes
Thursday, October 14, 2021 at 10:00 a.m.

**Virtual Public Meeting
Via Microsoft TEAMS**

1. CALL TO ORDER

A. Chairperson, Cary Vaughn called the meeting to order at 10:02 a.m.

2. ROLL CALL

Members Present – 9

- Cary Vaughn – Department of Treasury
- Rodney Taylor – Department of Treasury
- Bill Tucker – Maner Costerisan
- Stephen Blann – Rehmann
- Michelle Watterworth – Plante Moran
- Eric Van Dop – Brickley DeLong
- Michael Slater – Livonia, MI, Wayne County
- Pauline Bennett – Addison, MI, Oakland County
- Rana Emmons - PSLZ

3. REVIEW OF PRIOR MEETING MINUTES

A. A motion was made to approve the April 29, 2021 meeting minutes. The April 29, 2021 meeting minutes were approved by the Committee. 9 Ayes and 0 Nays.

4. OLD BUSINESS

A. None

5. NEW BUSINESS

A. TREASURY UPDATE

Cary Vaughn informed the committee that the flexible audit extensions were phased out as of October 15, 2021 and that they will no longer be giving them out as easily.

Cary Vaughn reviewed numbered letter 2021-6 with the Committee and asked for their feedback. Bill Tucker inquired about the cost and if the fees can be shown to reflect how much they are and if local governments should set up a separate fund to help tracking.

Cary Vaughn reviewed numbered letter 2020-3 with the Committee.

Cary Vaughn reviewed the webinars that Treasury presents and asked the Committee for their feedback.

B. ROAD COMMISSION ACCOUNTING MANUAL

Cary Vaughn gave an update to the Committee. The manual is basically done and will be finalizing reviews ASAP.

C. BUDGET MANUAL (REVISED AUGUST 2001)

Cary Vaughn gave an update to the Committee. The review of the Budget Manual will begin soon now that their section is fully staffed once again.

D. REVISION/RETRACTION OF MCGAA STATEMENTS

Cary Vaughn suggested to the Committee that it may be a good idea to go through the statements listed below to make revisions/retractions or take them down all together. The Committee decided to keep MCGAA statements and revise or remove them and that new guidance could either be numbered letters or continue to be MCGAA statements. The distinction would need to be made between the MCGAA statements and numbered letters. The Committee decided on the actions below for the following:

- MCGAA #15 Implementation of GASB Statement No. 54 (Jun-11)
 - The Committee recommends moving all of the good details to another location
- MCGAA #14 Funding of Retiree Health Care Obligations (Jan-08)
 - The Committee recommends revising
- MCGAA #13 Recission of Statement No. 7 (Nov-06)
 - The Committee will further review
- MCGAA # 12 Accounting & Reporting Infrastructure Assets City and Villages (Sep-06)
 - The Committee will take a harder look and determine at a later date
- MCGAA #11 Accounting & Reporting Infrastructure Assets County Road Commission (Jul-06)
 - The Committee will take a harder look and determine at a later date
- MCGAA #10 Accounting and Reporting Infrastructure Assets Local Water and Sewer Systems and County Drains (Aug-01)
 - The Committee decided to revise this statement.
- MCGAA #9 Revenue Recognition of Property Taxes (May-01)
 - The Committee recommends revising
- MCGAA #8 No-Commitment Debt or Conduit Debt (Feb-01)
 - The Committee recommends removal
- MCGAA #6 Financial Reporting of Deferred Compensation Plans in Michigan (Jun-99)

- The Committee recommends removal
- MCGAA #4 Definition of the Financial Reporting Entity (A Consolidation of Prior Statements No. 4 and No. 5 (Dec-05))
 - The Committee recommends revising
- MCGAA #2 Accounting and Financial Disclosure of Building Authorities (Nov-78)
 - The Committee recommends removal

The Committee recommends updating manuals to reflect these changes and focus on Michigan specific application of GAAP. Using Best Practices (tend to be a standing recommendation) and advisories (temporary in nature).

E. NUMBERED LETTERS

Cary Vaughn reviewed each numbered letter with the Committee and was given their feedback for each.

6. UPCOMING MEETINGS

- **January 13, 2022**
- **April 21, 2022**
- **July 21, 2022**
- **October 20, 2022**

7. SUGGESTED TOPICS FOR NEXT MEETING

- **Other Numbered Letters and MCGAA Statements to be revised.**

8. ADJOURNMENT

The Michigan Committee on Governmental Auditing and Accounting meeting adjourned at 11:18 a.m.